

**Kasten, Rep Dave**

**From:** Rochelle Angevine [edo@hardinmt.com]  
**Sent:** Monday, March 16, 2009 12:32 PM  
**To:** Kasten, Rep Dave  
**Subject:** CORRECTION!!!! Hardin Rail Spur

HB 645

 <http://www.hardinmt.com/images/ecodev/TRALogo.gif>

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Greg Smith, Executive Director

**DATE:** March 16, 2009

**TO:** Representative Dave Kasten /MT-HD 30

**FROM:** Greg Smith/ Two Rivers Authority

**SUBJECT:**

**PROJECT:** Refurbish the existing Rail Spur inside the Hardin Industrial Park.

Upgrading 11,000 feet of track on the spur line will serve existing businesses and to attract and serve new major industrial users will cost approximately \$12 million.

- Essential for New World Energy to build a \$450,000,000 coal to liquid plant in Hardin's Industrial Park.
  - This new plant will create 300 above average wage, long term, full time jobs,
  - With at least 400 new jobs created over the next 3 years.

*Which in turn will create:*

- More income tax paid (federal & state)
- More real estate, income taxes
- Reduce unemployment rates in

- Hardin,
  - the Crow Reservation, &
  - the Big Horn County
- Will enable the use of 2.1 million tons of coal annually.
  - Create a major increase in real estate taxes.
  - Create more coal severance taxes.

#### **NEW & EXISTING HIP BUSINESSES:**

- New World Energy proposes to build 10,000 feet of railroad on their property to handle coal unloading and loading liquids.
- The Cenex Harvest States (CHS) asphalt plant in the Hardin Industrial Park will utilize a track from the turnout.
- This railroad upgrade will enable coal unit trains to deliver coal to Hardin Generating Station that was built in 2006 (coal is now delivered by truck)
- This will provide service to the Farmers Union elevator

#### **THE STATE'S RETURN ON INVESTMENT:**

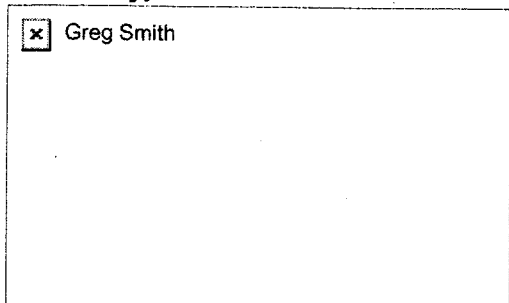
- Pay back using the 15% severance tax of the total coal, would bring in an additional \$2,000,000.00 per year, so the pay back to the State would be less than 7 years.
- More income tax paid (federal & state)
- More real estate, income taxes
- Reduce unemployment rates in
  - Hardin,
  - the Crow Reservation, &
  - the Big Horn County

#### **THE PROJECT MUST:**

- Accommodate unit train delivery of coal, adequate storage must be provided off of the main line.
- Unit coal trains running about 6,900 feet in length, storage of over 7,000 feet is required either on private property or on the spur track itself.

Please, call me (591-0076) if you feel anything is missing or needs clarification.

***Sincerely,***



***GES/ra***